

## BENCHMARK

### Why buy the BENCHMARK Management Liability Policy?

**BENCHMARK** is designed to protect the financial wellbeing of a **Company** along with the personal wealth of its **Directors & Officers**.

Companies and their Directors & Officers face the very real threat of incurring significant financial liability as a result of their actions in the work arena.

The **BENCHMARK** product delivers a comprehensive and robust solution to the multiple exposures faced by small to medium companies in Australia through 6 Insuring Clauses and various Standard Extensions. The product also provides **Statutory Liability Coverage** as a standard inclusion.

### CLAIMS EXAMPLES

- Directors sued by shareholders or creditors over allegedly misleading statements to the public as to the financial position of the company.
- Regulatory authorities investigating and prosecuting Directors over the same statements.
- Creditors and customers taking action against Directors for insolvent trading.
- Directors being sued/prosecuted for breaches by the Company of OH&S legislation.
- Directors and Officers being sued for alleged misuse of confidential or copyrighted information.
- Directors being prosecuted for breaches of the Corporations Law.
- A breach of a Director's or Officer's duties under Chapter 2D of the Corporations Act resulting in Pecuniary Fines and Penalties and the requirement to pay compensation.
- Employees bringing claims for wrongful termination of employment, demotion or refusal to promote.
- Company being sued by an Employee or prospective Employee for discrimination or harassment.
- Company being fined for a breach of OH&S legislation (where permitted by law).
- Fraudulent or dishonest acts committed by an Employee or a third party that result in direct financial loss to the Company such as theft of property, securities or money.
- Financial loss suffered as a result of Electronic and Computer Crime.
- Third party loss of money or negotiable instruments whilst under the Care, Custody and Control of the Insured.
- Retired Directors being sued for Wrongful Acts committed whilst a Director of the Company.
- Costs and expenses incurred by a Director or Officer in preparing for attending an Inquiry.

### TARGET SECTOR

**BENCHMARK** is tailor made for Private or Public Unlisted companies where Assets and Revenue is generally less than AUD\$200,000,000

A broad range of industries can be considered under **BENCHMARK**.

(Companies that exceed the above thresholds can still be considered but may be better served considering LAUW's Directors and Officers Policy – **SHIELD**).

## POLICY BENEFITS

The following is a **guide only**. For full particulars, reference must be made to the **current** policy wording.

### Insuring Clauses:

- Directors' and Officers' Liability
- Company Reimbursement
- Employment Entity Liability
- Entity Cover
- Fiduciary Liability
- Comprehensive Crime, including:
  - Employee Fraud or Dishonesty
  - Third Party Crime
  - Electronic and Computer Crime (Computer Fraud / Funds Transfer Fraud)
  - Care, Custody and Control
  - Destruction and Damage of Money or Negotiable Instruments

### Standard Extensions:

- Outside Board Cover (automatic for Not-For-Profit entities)
- Discovery Period
- Retired Directors and Officers
- Inquiry Costs (maximum sub-limit of AUD\$5,000,000)
- Public Relations Costs (sub-limit of AUD\$500,000)
- Assets and Liberty Costs (sub-limit of AUD\$500,000)
- Advancement of Defence Costs
- Continuous Cover (for Innocent Non-Disclosure)
- Occupational Health and Safety Defence Costs (maximum sub-limit of AUD\$5,000,000)
- Pollution Defence Costs (maximum sub-limit of AUD\$5,000,000)
- Civil Fines and Penalties (maximum sub-limit of AUD\$5,000,000)
- Taxation Audit Costs (maximum sub-limit AUD\$25,000)
- Reconstitution Costs (maximum sub-limit AUD\$50,000)
- Investigative Costs (maximum sub-limit AUD\$50,000)

### Other Standard Inclusions:

- Reinstatement of Limit of Liability for Non-Executive Directors (equal to 25% of the aggregate limit of liability or AUD\$2,000,000 – whichever is the smaller)
- Defence Costs paid in addition to the Limit of Liability under Directors and Officers Liability and Company Reimbursement Insuring Clauses (equal to 10% of the aggregate limit of liability or AUD\$1,500,000 – whichever is the smaller)
- Statutory Liability (sub-limit of AUD\$1,000,000)

**Additional Benefits:**

- Comprehensive definition of 'Director or Officer'
- Comprehensive definition of 'Company'
- Cover for damages and costs awarded against the Directors or Officers
- Cover for Costs incurred in Investigations and Disciplinary proceedings
- Automatic cover for 'Not-for-Profit' Outside Directorships
- Cover for Subsidiaries
- Run-off cover for Subsidiaries
- Run-off cover for covered Outside Directorships
- Cover for Liabilities faced by Spouses
- Cover for Liabilities faced by Estates and Legal Representatives
- Cover for Prior Acts (Retroactive Liability Cover)
- Worldwide Jurisdiction (in respect of U.S.A.) can be offered
- Preservation of Right to Indemnity Clause
- 100% Lloyd's of London Security
- Local Claims Handling and Payment Authority

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For more information and to download the required proposal form please visit [www.lauw.com.au](http://www.lauw.com.au)